Qualification Accredited

CAMBRIDGE OCR

Specification

A Level

Business

Cambridge OCR Level 3 Advanced GCE in Business

H431

For first assessment in 2017

Version 2.0 (November 2025)

ocr.org.uk/alevelbusiness

About our new name

As of September 2025, our name is Cambridge OCR.

Students who sat an exam **in summer 2025** will receive a Cambridge OCR branded exam certificate (our new brand), which will be the same for all future exam series.

You'll continue to see the OCR or Oxford Cambridge and RSA Examinations name while we work to update our material to our new name, Cambridge OCR. This will take some time, and you can still access all up-to-date qualification resources and materials via Teach Cambridge.

Important: We'll keep the OCR/Oxford Cambridge and RSA name on existing teaching resources while the content of these remains applicable to the specification being taught. **New and refreshed** resources will be produced using the Cambridge OCR name/logo.

Are you using the latest version of this specification?

The latest version of our specifications will always be on our website and may differ from printed versions. We will inform centres about changes to specifications.

Tell us what you think

Your feedback plays an important role in how we develop, market, support and resource qualifications now and into the future. We want you and your students to enjoy and get the best out of our qualifications and resources, but to do that we need your honest opinions to tell us whether we're on the right track or not.

You can email your thoughts to support@ocr.org.uk or visit our feedback page to learn more about how you can help us improve our qualifications.

Designing and testing in collaboration with teachers and students

Helping young people develop an ethical view of the world

Equality, diversity, inclusion and belonging (EDIB) are part of everything we do

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Introducing…
A Level in Business (from September 2015)

The OCR A Level in Business will encourage learners to be inspired, motivated and challenged by following a broad, coherent, practical, satisfying and worthwhile course of study. It provides insight into, and experience of, how businesses work, stimulating learners' curiosity and encouraging them to engage with commerce in their everyday lives and to make informed choices about further study and about career choices.

Each component includes synoptic assessment, so learners will have a holistic learning experience and be able to apply concepts to different situations.

The aims of this specification are to encourage learners to:

- Develop a critical understanding of organisations and their ability to meet society's needs and wants
- Understand that business behaviour can be studied from a range of perspectives
- Generate enterprising and creative approaches to business opportunities, problems and issues
- Be aware of the ethical dilemmas and responsibilities faced by organisations and individuals
- Take a more strategic view of business opportunities, problems and issues.

Contact the team

We have a dedicated team of people working on our A Level in Business qualifications.

Find out more about our Business team at ocr.org.uk/businessteam

If you need specialist advice, guidance or support, get in touch as follows:

- **01223 553998**
- **business@ocr.org.uk**
- **@OCR_exams**

Teaching and learning resources

We recognise that the introduction of a new specification can bring challenges for implementation and teaching. Our aim is to help you at every stage and we're working hard to provide a practical package of support in close consultation with teachers and other experts, so we can help you to make the change.

Designed to support progression for all

Our resources are designed to provide you with a range of teaching activities and suggestions so you can select the best approach for your particular students. You are the experts on how your students learn and our aim is to support you in the best way we can.

We want to…

- Support you with a body of knowledge that grows throughout the lifetime of the specification
- Provide you with a range of suggestions so you can select the best activity, approach or context for your particular students
- Make it easier for you to explore and interact with our resource materials, in particular to develop your own schemes of work
- Create an ongoing conversation so we can develop materials that work for you..

Plenty of useful resources

You'll have four main types of subject-specific teaching and learning resources at your fingertips:

- Delivery Guides
- Transition Guides
- Topic Exploration Packs
- Lesson Elements.

Along with subject-specific resources, you'll also have access to a selection of generic resources that focus on skills development and professional guidance for teachers.

Skills Guides – we've produced a set of Skills Guides that are not specific to Business, but each covers a topic that could be relevant to a range of qualifications – for example, communication, legislation and research. Download the guides at **ocr.org.uk/skillsguides**

Active Results – a free online results analysis service to help you review the performance of individual students or your whole school. It provides access to detailed results data, enabling more comprehensive analysis of results in order to give you a more accurate measurement of the achievements of your centre and individual students. For more details refer to **ocr.org.uk/activeresults**.

Professional Development

Take advantage of our improved Professional Development Programme, designed with you in mind. Whether you want to look at our new digital training or search for training materials, you can find what you're looking for all in one place at the CPD Hub.

An introduction to the new specifications:

We'll be running events to help you get to grips with our A Level in Business qualification.

These events are designed to help prepare you for first teaching and to support your delivery at every stage.

Watch out for details at **cpdhub.ocr.org.uk**.

To receive the latest information about the training we'll be offering, please register for A Level email updates at **ocr.org.uk/updates**.

1 Why choose an OCR A Level in Business?

1a. Why choose an OCR qualification?

Choose OCR and you've got the reassurance that you're working with one of the UK's leading exam boards. Our new A Level in Business course has been developed in consultation with teachers, employers and higher education to provide learners with a qualification that's relevant to them and meets their needs.

We're part of the Cambridge Assessment Group, Europe's largest assessment agency and a department of the University of Cambridge. Cambridge Assessment plays a leading role in developing and delivering assessments throughout the world, operating in over 150 countries.

We work with teachers, employers, and universities to create qualifications that support the needs of all students and help them prepare for their future. We offer A levels, GCSEs, vocational courses, and other academic options to schools, colleges, workplaces, and other organisations.

Our Specifications

We believe in developing specifications that help you bring the subject to life and inspire your students to achieve more.

We've created teacher-friendly specifications based on extensive research and engagement with the teaching community. They're designed to be straightforward and accessible so that you can tailor the delivery of the course to suit your needs. We aim to encourage learners to become responsible for their own learning, confident in discussing ideas, innovative and engaged.

We provide a range of support services designed to help you at every stage, from preparation through to the delivery of our specifications. This includes:

- A wide range of high-quality creative resources including:
  - Delivery Guides
  - Transition Guides
  - Topic Exploration Packs
  - Lesson Elements
  - …and much more.
- Access to Subject Advisors to support you through the transition and throughout the lifetimes of the specifications.
- CPD/Training for teachers to introduce the qualifications and prepare you for first teaching.
- Active Results – our free results analysis service to help you review the performance of individual students or whole schools.

All A level qualifications offered by OCR are accredited by Ofqual, the Regulator for qualifications offered in England. The accreditation number for OCR's A Level in Business is QN: 601/4675/8.

1b. Why choose an OCR A Level in Business?

The OCR A Level in Business will encourage learners to be inspired, motivated and challenged by following a broad, coherent, practical, satisfying and worthwhile course of study. It provides insight into, and experience of, how businesses work, stimulating learners' curiosity and encouraging them to engage with commerce in their everyday lives and to make informed choices about further study and about career choices.

The OCR A Level in Business is designed to allow centres to manage a diversity of different topics in an efficient and simple way. This qualification offers learners an opportunity to learn about project management. This is a vital component of 'post-school' life and is of particular relevance to Further Education, Higher Education (HE) and the workplace.

This specification has been developed in conjunction with the team that created the previous OCR Business Studies specification, and also with input from centres, HE and industry, thus ensuring that we have a balanced view of the requirements of the specification. The specification content has been updated to capture and inspire the learner's interest in the way in which businesses operate in the modern world. The experience of the past three years of assessment has clearly demonstrated that OCR has the knowledge and skills to develop reliable and valid qualifications.

The OCR A Level in Business is also relevant to the modern and changing world of business. It enables teachers to tailor the qualification to meet the needs of the learners, allowing relevant industry examples which meet the needs of the course to be used. It provides the opportunity to study a wide range of concepts which can be applied in a variety of contexts.

If learners wish to go on to Higher Education, many universities now recognise the value of a business qualification. Learners could then go on to a career in law, business or finance for example.

Each component comprises of synoptic assessment, so learners will have an holistic learning experience and be able to apply concepts to different situations.

Aims and learning outcomes

The aims of this specification are to encourage learners to:

- develop an enthusiasm for studying business
- gain an holistic understanding of business in a range of contexts
- develop a critical understanding of organisations and their ability to meet society's needs and wants
- understand that business behaviour can be studied from a range of perspectives
- generate enterprising and creative approaches to business opportunities, problems and issues
- be aware of the ethical dilemmas and responsibilities faced by organisations and individuals
- take a more strategic view of business opportunities, problems and issues
- acquire a range of relevant business and generic skills, including decision making, problem solving, the challenging of assumptions and critical analysis
- apply numerical skills in a range of business contexts.

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1c. What are the key features of this specification?

This specification:

- has increased emphasis on decision making, with learners required to consider why the size and scope of a business makes a difference to the action taken
- has true synoptic assessment, meaning that learners will be taught skills and be able to apply them to different concepts – e.g. the relationship between break-even concept in both production and sales
- uses real businesses in the assessment to enable learners to identify more with problem solving in real-life situations
- requires learners to apply mathematical skills, which will enable them to develop their skills, knowledge and understanding of business
- is co-teachable with the AS Level in Business course.

The OCR A Level in Business provides the ideal foundation for those learners who wish to pursue further study of business or related work, at the same time as offering a complete course for those who are interested in achieving greater understanding of what they see in the news and the world around them. There is a simple, straight-forward assessment structure with no coursework, just three two-hour examinations at the end of the course

1d. How do I find out more information?

If already using OCR specifications you can contact us at: **www.ocr.org.uk**

If not already registered you can find out more information at: **www.ocr.org.uk**

If you are not yet an approved centre and would like to become one go to: **www.ocr.org.uk**

Find out more?

Ask a Subject Advisor:
OCR.Business@ocr.org.uk

Teacher support: **www.ocr.org.uk**

2 The specification overview

2a. Overview of A Level in Business (H431)

Learners must complete all components (01, 02 and 03) to be awarded the OCR A Level in Business.

Content Overview	Assessment Overview	
• Business objectives and strategic decisions • External influences facing businesses • Marketing and marketing strategies • Operational strategy • Human resources • Accounting and financial considerations • The global environment of business	Operating in a local business environment (01*) 80 marks 2 hour written paper	**33.33%** of total A level
	The UK business environment (02*) 80 marks 2 hour written paper	**33.33%** of total A level
	The global business environment (03*) 80 marks 2 hour written paper	**33.33%** of total A level

* Indicates synoptic assessment.

2b. Introduction to content of A Level in Business (H431)

The main areas of study in the OCR A Level in Business include accounting and finance, external influences, marketing, operations and people in organisations. The required depth of study has been amplified within topics such as marketing (the marketing mix, digital and international marketing, service marketing), human resources (recruitment, selection and training, workforce planning, appraisals), operations management (research and development, stock control and logistics/supply chain solutions) and accounting and finance (final accounts, including the calculation of profit).

The OCR A Level in Business will provide learners with the ability to apply basic business concepts to a wider range of contexts, understand and apply sophisticated concepts and techniques, analyse, interpret and evaluate complex business information and take a more strategic view of business opportunities, problems and issues.

It will develop skills such as data analysis, problem solving and essay writing. These transferable skills can be used within any subsequent course of study. They can also be applied by any learner progressing into a managerial role within any organisation.

It is important that the content of this specification is seen as a whole and not as a series of discrete elements, as the content listed in one section may be assessed in any context.

The following detailed content is presented in three columns which detail the areas of study as required by the Subject Criteria, the breaking down of those areas of study into specific topics and finally, what the learners should be able to do as a result of following the OCR A Level in Business.

The entire specification can and will be assessed within each of the three components. Although some techniques and models are listed within a particular element of the specification, such techniques and models can and will be assessed within any appropriate context. For example, although SWOT analysis is listed under the heading 'Marketing resources', learners could be asked to undertake a SWOT analysis in any context.

2c. Content of A Level in Business (H431)

Area of Study	Content	Learners should be able to:
Introduction to Business	**Enterprise**	• explain what is meant by an entrepreneur and by enterprise • explain what is meant by the factors of production: land, labour, capital and enterprise • evaluate the impact and importance of the availability of factors of production for the stakeholders of a business • evaluate the impact on and the importance to the economy of entrepreneurship and enterprise • explain the role of the entrepreneur in making business decisions • evaluate the impact and importance of entrepreneurial activity for the stakeholders of a business.

2

Area of Study	Content	Learners should be able to:
Introduction to Business	**Business sectors**	• distinguish between primary, secondary and tertiary organisations • distinguish between private, public and third sector organisations • distinguish between local, national and international/ global markets • distinguish between a national and multinational business.
	Types of business	• explain the legal structure of business: including sole trader, partnership, limited liability partnership, private limited company and public limited company • explain what is meant by limited liability and unlimited liability • evaluate the factors affecting the choice of legal structure of a business • evaluate the impact and importance of legal structure for the stakeholders of a business.
	Franchises and franchisees	• explain what is meant by a franchise • distinguish between franchisors and franchisees • evaluate the factors affecting the use of franchises to a business • evaluate the impact and importance of franchising to the stakeholders of a business • explain what is meant by co-operatives • evaluate the impact and importance of a co-operative structure to the stakeholders of a business.
	Business functions	• explain the functions of business, including marketing, production, operations management, accounting and finance, as well as customer service, sales and support services • evaluate the impact and importance of the functions of business to the stakeholders of a business.
	Business size and growth	• distinguish between small, medium and large enterprises • explain how and why the size of a business is measured • evaluate the factors affecting the size of a business • evaluate the impact and importance of the size of business to the stakeholders of a business.

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Area of Study	Content	Learners should be able to:
Introduction to Business	**External growth**	• explain what is meant by a joint venture • explain what is meant by a strategic alliance • evaluate the impact and importance of joint ventures to a business and its stakeholders • evaluate the impact and importance of a strategic alliance to a business and its stakeholders.
Business objectives and strategy	**Different stakeholder and business objectives**	• distinguish between organisational aims, corporate/ business objectives, strategic objectives, tactical objectives and operational objectives • explain the importance of setting SMART objectives to a business and its stakeholders • explain what is meant by the hierarchy of objectives • evaluate the impact and importance of setting aims and objectives • explain how the sector in which a business operates affects its aims and objectives • explain how objectives can be communicated • evaluate the consequences of mis-communicating objectives to a business and its stakeholders • evaluate ways in which the objectives of a business could be better communicated • explain why the objectives of a business may need to change • recommend and justify the aims and objectives for a business and how any changes may be implemented.
	Stakeholders	• explain what is meant by the term 'stakeholder' • identify the internal and external stakeholders of a business • analyse the objectives of the stakeholders of a business • explain the reasons for conflicts between different stakeholder groups • explain why a business needs to manage the conflicting objectives of its stakeholders • evaluate the impact on a business of different stakeholders having conflicting objectives • recommend and justify how a business should deal with the conflicting objectives of stakeholders • evaluate the influence different stakeholders have on a business including its aims and objectives, decision making, behaviour and performance • evaluate the impact of business decisions on different stakeholders groups.

Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Mission statement**	• explain the nature and purpose of a mission statement • recommend and justify a suitable mission statement for a business • evaluate the advantages and disadvantages to a business of having a mission statement • evaluate the impact of changing a mission statement on a business and its stakeholders.
	Corporate social responsibility (CSR)	• explain what is meant by corporate social responsibility (CSR) • explain the potential conflict between CSR and profit and other objectives • evaluate the impact and importance of a CSR policy to a business and its stakeholders • evaluate the advantages and disadvantages of a business's CSR profile to the business and its stakeholders • recommend and justify how a business could improve its CSR profile • evaluate the impact and importance of CSR to a business and its stakeholders.
	Strategy and implementation	• explain the relationship between objectives, strategy and tactics • evaluate a business' current or proposed strategy • recommend and justify how a business could alter its strategy • evaluate the impact and importance of changing a business' strategy to the business and its stakeholders • explain why a business needs to plan its implementation strategy • evaluate the impact and importance of a strategy for a business and its stakeholders • recommend and justify a strategy for a business.

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Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Business plan**	• explain the purpose of a business plan • describe the main contents of a business plan and explain why these are included in the plan • evaluate the advantages and disadvantages to a business of having a business plan • evaluate the impact and importance of a business plan to the stakeholders of a business • explain what is meant by the 'Plan-Do-Review' cycle • analyse how the Plan-Do-Review cycle can improve a business' performance • evaluate the impact and importance of a strategic review to a business and its stakeholders.
	Risk and uncertainty	• explain what is meant by risk and reward • explain the relationship between risk and reward • evaluate the relationship between risk and reward in a business • distinguish between quantifiable and unquantifiable risk • evaluate quantifiable and unquantifiable risks to a business • evaluate ways in which a business can reduce its level of risk • evaluate the consequences to a business and its stakeholders of poor risk management • evaluate the specific risks faced by an entrepreneur • explain what is meant by uncertainty • distinguish between internal and external causes of uncertainty in a business • evaluate the impact of internal and external causes of uncertainty on a business and its stakeholders • explain how uncertainty can affect a business including effects on aims and objectives, planning, decision making, business analysis and forecasting.
	Opportunity cost	• explain what is meant by opportunity cost • identify the opportunity cost of a business decision • analyse the impact of opportunity cost on business decision making.

Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Contingency planning and crisis management**	• explain the nature and purpose of contingency planning • evaluate the advantages and disadvantages of contingency planning to a business and its stakeholders • evaluate the impact and importance of contingency planning to a business and its stakeholders • recommend and justify a contingency plan for a business • explain the nature and purpose of crisis management • evaluate a business' crisis management.
	Models of strategic choice	• explain the nature and purpose of Porter's Five Forces model • evaluate a business' position/proposed position using Porter's Five Forces model • evaluate the usefulness of Porter's Five Forces model to a business • explain the nature and purpose of Porter's generic strategies • evaluate a business' position/proposed position using Porter's generic strategies • evaluate the usefulness of Porter's generic strategies to a business • explain what is meant by competitive advantage.

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Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Measures of Performance: financial and non-financial**	• distinguish between financial and non-financial measures of business performance • identify financial measures of business performance including final accounts, ratio analysis, gearing, cash flow, budgets and variance analysis • explain the importance to a business of using financial and non-financial measures of business performance • calculate financial measures of business performance • interpret financial measures of business performance • explain the difference between cash flow and profit • distinguish between measures of liquidity, profitability and efficiency • explain why a business' published accounts do not provide a complete picture of performance • identify non-financial measures of business performance including market share, resource utilisation, environmental impact, quality, customer satisfaction etc. • explain the importance to a business of using non-financial measures of business performance • explain why businesses measure performance • evaluate the advantages and disadvantages to a business of measuring performance • evaluate the performance of a business using financial and non-financial measures • evaluate the importance of different types of performance measures to different stakeholders • evaluate the performance of a business from the point of view of different stakeholders.

Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Forecasting**	• explain the nature and purpose of forecasting • evaluate the advantages and disadvantages of using forecasts to a business and its stakeholders • distinguish between qualitative forecasting and quantitative forecasting • describe structured methods of qualitative forecasting including Delphi technique and expert opinion • describe unstructured methods of qualitative forecasting including brainstorming and intuition • evaluate the advantages and disadvantages to a business of using structured and unstructured methods of qualitative forecasting • calculate and interpret a range of quantitative financial forecasts including sales, costs, profit and cash flow • explain what is meant by seasonal and cyclical variations • calculate cyclical variation • analyse how seasonal and cyclical variations impact on forecasting • use correlations to analyse trends and make forecasts • extrapolate trends from numerical or graphical data and interpret the outcome • use time series analysis (moving averages – odd number of years) to predict future values • evaluate the usefulness of time series analysis for a business • recommend and justify how a business could respond to forecasts • evaluate the importance of accurate forecasting to a business and its stakeholders.

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Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Decision making**	• explain the nature and purpose of decision making • evaluate the impact and importance of effective decision making to a business and its stakeholders • evaluate factors which need to be taken into account when making business decisions including level of risk, nature of risk, accuracy of forecasts, volatility and potential for bias • explain the relationship between the aims and objectives of a business and its decision making • distinguish between short-term, medium-term and long-term decisions • distinguish between strategic, tactical and operational decisions • distinguish between quantitative and qualitative decision-making tools • evaluate the usefulness of different measures of performance: financial and non-financial • evaluate which course of action a business should take • evaluate the extent to which a business can be considered a success.
	Decision trees	• explain the nature and purpose of decision trees • calculate and interpret probabilities (in decimals and percentages) • calculate and interpret economic outcomes and expected values • evaluate the outcomes shown on a decision tree • evaluate how a business should respond to the information contained in a decision tree • assess the importance of the information shown on a decision tree to a business • assess the usefulness of a decision tree when making a business decision.
	Ansoff's matrix	• explain the nature and purpose of Ansoff's matrix • distinguish between the quadrants of Ansoff's matrix • identify examples of strategies for each quadrant of Ansoff's matrix • evaluate the level of risk for a business and its stakeholders in each quadrant in Ansoff's matrix • recommend and justify a strategy for a business using Ansoff's matrix • assess the usefulness of Ansoff's matrix when making a business decision.

Area of Study	Content	Learners should be able to:
Business objectives and strategy	**Conflicts in business decision making**	• explain why the results of one decision making tool may conflict with another • evaluate a business' decisions based on quantitative and qualitative information • evaluate the likely success of a business proposal using decision making tools • evaluate which course of action a business should take • evaluate the usefulness to a business of decision making tools • evaluate the strengths and limitations of decision making tools • evaluate reasons for success or failure of a business.
External influences	**The market, market size and growth**	• explain what is meant by a market • explain what is meant by competition • explain what is meant by market size • explain what is meant by market growth • explain the importance of market size to a business • evaluate how a business could increase its market share • describe the key features of monopoly, oligopoly and monopolistic competition • analyse the relationship between market structure and a business' decision making power.
	Demand and supply	• explain what is meant by demand, supply and equilibrium • explain how demand and supply interact to establish equilibrium • explain the determinants of demand and supply • explain how changes in the determinants of demand and supply affect price and output decisions • construct and interpret demand and supply diagram(s) to show how changes in the determinants of demand and supply affect equilibrium • evaluate factors which affect demand and supply in a market • construct and interpret demand and supply diagram(s) to show excesses and shortages in a market • evaluate the effect of excesses and shortages in a market.

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Area of Study	Content	Learners should be able to:
External influences	**Market forces**	• evaluate the impact of market forces on a business and its stakeholders • recommend and justify how a business should respond to market forces • evaluate the extent to which a business is affected by the dynamic nature of the market • evaluate the impact of competition at the local, national and global contexts on a business.
	Physical and non-physical markets	• distinguish between physical and non-physical markets, including online and digital • explain why firms may choose to operate in physical and/or non-physical markets.
	Competition	• explain what is meant by competition • evaluate how the strength of its competition affects a business • explain why firms may choose to enter or exit a market • analyse barriers to entry or exit in a market • evaluate the impact of competition on a business, its stakeholders and its market.
	Market dominance	• explain what is meant by market dominance, mergers, acquisitions and organic growth • explain what is meant by monopoly • explain how mergers, acquisitions and organic growth could lead to the creation of dominant firms • evaluate the impact on a business of a dominant firm operating in its market • explain how market dominance is restricted and regulated in the UK • evaluate the impact and importance of the regulation of the market on a business and its stakeholders.

Area of Study	Content	Learners should be able to:
External influences	**Global context**	• explain what is meant by globalisation • explain factors which facilitate globalisation including the Internet, communication technologies, e-commerce, trade liberalisation, transport infrastructure and multinationals • explain why some businesses are more affected than others by globalisation • explain the role of multinationals in globalisation • distinguish between a global strategy and globalisation • recommend and justify how a business should respond to the challenge of increasing globalisation • evaluate the opportunities and threats globalisation presents to a business • explain what is meant by global branding • evaluate the opportunities and threats to a business of a rise in the number of global brands • evaluate the roles of multinationals in globalisation.
	International trade and free trade	• explain what is meant by international trade • explain the reasons for international trade • explain the nature and purpose of barriers to international trade • evaluate factors to be considered by a business when trading internationally including language, culture and customs, logistics, currency and buying habits • explain what is meant by an exchange rate • calculate exchange rate currency conversions • evaluate the impact of changes in exchange rates on a business and its stakeholders • explain the relationship between increased globalisation and international trade • describe sources of financial and non-financial support for businesses which trade internationally • explain what is meant by free trade • evaluate the advantages and disadvantages of free trade to a business and its stakeholders • explain what is meant by a trading bloc • evaluate the advantages and disadvantages to a business of trading within a trading bloc.

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Area of Study	Content	Learners should be able to:
External influences	**The European Union**	• explain the influence on a business of the European Union, including its enlargement and single European currency • evaluate the advantages and disadvantages to a business of the UK not being part of the EU and the Eurozone • recommend and justify whether a business should expand into European and/or global markets • evaluate the advantages and disadvantages to a business of the UK not being a member of the Single European Market.
	Emerging markets and the global environment	• explain what is meant by an emerging market • evaluate the impact of emerging markets on a business • evaluate the impact on a business of changes in its global environment • recommend and justify how a business could respond to changes in its global environment.
	Political factors	• identify political factors which influence a business • explain how political uncertainty may affect a business • evaluate the benefits to a business of political stability • explain how and why political instability may affect international trade • evaluate how the policies of local, national and international governments can affect a business • evaluate the impact and importance in changes in political factors for a business and its stakeholders.

Area of Study	Content	Learners should be able to:
External influences	**Economic factors**	• explain the key economic indicators which influence a business • identify the nature and purpose of the main types of taxation in the UK • distinguish between direct and indirect taxation • identify the main types and purposes of UK government expenditure • explain what is meant by a subsidy • analyse the benefits to a business of receiving a subsidy • distinguish between monetary, fiscal and supply-side policies • explain the relationship between interest rates and exchange rates • explain what is meant by Gross Domestic Product • explain what is meant by the business cycle • describe the main phases of the business cycle • explain how a business can use the business cycle to its advantage • explain why some businesses are more affected than others by the business cycle • evaluate the impact and importance in changes in economic factors for a business and its stakeholders.
	Social factors	• describe social factors which influence a business • evaluate the impact and importance in changes in social factors for a business and its stakeholders.
	Technological factors	• identify technological factors which influence a business • explain how technology can be used in a business • explain how changes in technology may impact on a business • evaluate the advantages and disadvantages of using computer hardware and software to aid a business and its stakeholders • evaluate the opportunities and threats to a business and its stakeholders changes in technological factors.

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Area of Study	Content	Learners should be able to:
External influences	**The digital revolution**	• explain what is meant by the digital revolution • evaluate the impact and importance of the information age on a business • evaluate the opportunities and threats that have arisen for a business because of the digital revolution • evaluate why some businesses are more affected than others by the digital revolution • evaluate the advantages and disadvantages to a business and its stakeholders of rapid technological change.
	Ethical factors	• distinguish between the law and ethics • explain ethical issues which influence a business • explain why some businesses are more affected than others by ethical issues • evaluate ethical trading methods and working practices • recommend and justify ways in which a business could improve its ethical profile • evaluate the advantages and disadvantages to a business and its stakeholders of behaving ethically • evaluate the importance to a business of being seen as an ethical organisation • evaluate possible conflicts between ethical objectives and other business objectives • recommend and justify how a business can manage the conflicts between ethical objectives and other business objectives • evaluate the impact and importance in changes in ethical issues for a business and its stakeholders.
	Legal factors	• explain the nature and purpose of legislation including that relating to employment, equality, company and partnership health and safety, data protection, intellectual property, planning, environmental, consumer protection, contract and financial conduct • evaluate ways in which a business can comply with legislation • evaluate possible conflict between complying with legislation and other objectives • evaluate the importance to a business of complying with legislation • evaluate the consequences to a business of failing to comply with legislation • evaluate the impact and importance in changes in legal issues for a business and its stakeholders.

Area of Study	Content	Learners should be able to:
External influences	**Environmental factors**	• describe environmental issues which influence a business • explain why a business needs to consider environmental issues • evaluate the impact and importance of an environmental policy to a business and its stakeholders • recommend and justify ways in which a business can address environmental issues • evaluate the importance to a business of being seen as an environmentally friendly organisation • evaluate possible conflicts between environmentally friendly objectives and other business objectives • recommend and justify how a business can manage the conflicts between environmentally friendly objectives and other objectives • evaluate the impact and importance in changes in environmental issues to a business and its stakeholders • evaluate the impact and importance of an environmental policy to a business and its stakeholders • recommend and justify ways in which a business can address environmental issues • explain what is meant by sustainability • explain how a business may act in a sustainable manner • evaluate the impact and importance of sustainability to a business and its stakeholders • evaluate how a business may become more sustainable.
	External factors and influences	• evaluate the consequences to a business of ignoring external factors and issues.

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Area of Study	Content	Learners should be able to:
Change	**Causes and effect of change**	• identify causes of change • distinguish between internal and external causes of change • explain the different types of change including catastrophic, crisis, contingency, strategic, tactical and operational • evaluate the impact and importance of drivers of change to a business and its stakeholders • evaluate the problems associated with change • identify barriers to change • evaluate the impact and importance of barriers to change to a business and its stakeholders • evaluate the impact and importance of change on a business and its stakeholders.
	Managing change	• explain what is meant by change management • explain the importance to a business of effective change management • evaluate techniques which can be used to help a business manage change • explain change management models including Lewin's Change Management Model, McKinsey 7-S Model and Kotter's 8 Step Change Model • evaluate how a business can use change management models to manage change • evaluate the role of leadership of a business in managing change • evaluate the advantages and disadvantages of using an external agency or change consultant to manage change in a business • recommend and justify how a business could manage change • evaluate the benefits to a business of effective change management • evaluate the consequences to a business of not managing change effectively.

Area of Study	Content	Learners should be able to:
Accounting and finance within a business environment	**Accounting and finance objectives**	• explain accounting and finance objectives • explain how and why accounting and finance objectives are used by a business • explain the need for a business to have clear accounting and finance objectives • evaluate the usefulness of accounting and finance objectives to a business and its stakeholders • evaluate the importance of accounting and finance objectives in the achievement of business objectives • recommend and justify accounting and finance objectives for a business.
	Sources of finance	• explain sources of finance • distinguish between internal and external sources of finance to a business • distinguish between short-term and long-term sources of finance for a business • explain how factors affect the choice of finance for a business including: ○ time ○ legal structure ○ quantitative factors ○ qualitative factors ○ external influences • evaluate sources of finance for a business and its stakeholders.
	Accounting concepts	• explain the need for accounts to achieve a 'true and fair' view of the business • explain the need to comply with Generally Accepted Accounting Practice (GAAP); (knowledge of specific rules and regulations is **not** required) • explain the accounting conventions of consistency, going concern, accruals (matching), materiality, objectivity, prudence (conservatism) and realisation • apply accounting conventions to a business • evaluate the usefulness of accounting conventions to a business and its stakeholders • evaluate the impact and importance of accounting conventions to a business and its stakeholders.

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Area of Study	Content	Learners should be able to:
Management accounting	**Costs, revenue and profit**	• explain what is meant by costs, revenue, profit, total cost, average cost, fixed cost, variable cost, total revenue, price, average revenue, direct, indirect and overhead costs • calculate and interpret costs, revenue, profit, total cost, average cost, fixed cost, variable cost, total revenue, price, average revenue, direct, indirect and overhead costs • explain the importance of direct, indirect and overhead costs to a business • evaluate the impact of costs and revenue on business decisions • evaluate the impact of costs changing on a business and its stakeholders • evaluate the usefulness of cost centres and profit centres to a business and its stakeholders • calculate and interpret how costs may be allocated: full, absorption and marginal • evaluate the usefulness of different costing methods to a business and its stakeholders • evaluate how the allocation of costs can affect a business and its stakeholders • evaluate the profit level of a business.
	Break-even analysis	• explain what is meant by 'break-even', contribution, margin of safety and target level of profit • explain what is meant by a 'stepped fixed cost' • construct and interpret a break-even graph • calculate and interpret contribution, break-even, margin of safety and target level of profit • calculate and interpret the impact on break-even, margin of safety contribution and target level of profit of changes in costs and revenue • evaluate the impact on the break-even point, margin of safety, contribution and target level of profit of changes in costs and revenue • evaluate the impact of break-even analysis on a business and its stakeholders • evaluate the usefulness of break-even analysis to a business and its stakeholders • recommend and justify how a business could lower its break-even point • evaluate special order decisions.

Area of Study	Content	Learners should be able to:
Management accounting	**Investment appraisal**	• explain the nature and purpose of investment appraisal • calculate and interpret quantitative methods of investment appraisal: the payback period, average rate of return (ARR) and net present value (NPV) • explain how quantitative and qualitative aspects of investment appraisal affect a business • evaluate the usefulness of different methods of investment appraisal to a business and its stakeholders • recommend and justify business investments based on quantitative and qualitative investment appraisal.
	Budgets and variances	• explain what is meant by a budget • explain what is meant by a variance • calculate and interpret budgets and variances • analyse budgets and variances (favourable/adverse) • evaluate the impact of budgets and variances on a business • evaluate the usefulness of the budgeting process and variance analysis to a business and its stakeholders.
	Cash-flow	• explain what is meant by cash-flow • distinguish between a cash-flow forecast and a cash-flow statement • distinguish between cash-flow and profit • explain the purpose of a cash-flow forecast and a cash-flow statement • calculate, interpret and analyse cash-flow forecasts and cash-flow statements • calculate, interpret and analyse the impact on a cash-flow forecast of changes in costs and revenue • evaluate the impact of a cash-flow forecast and cash-flow statement on a business and its stakeholders • evaluate the usefulness of cash-flow forecasting to a business and its stakeholders • evaluate strategies to overcome forecast cash-flow problems • evaluate the usefulness of cash-flow forecasts and cash-flow statements for a business and its stakeholders.
	Working capital	• explain what is meant by working capital • explain what is meant by the working capital cycle.

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Area of Study	Content	Learners should be able to:
Financial accounting	**Income statements**	• explain what is meant by an income statement • explain what is contained within an income statement • calculate, interpret and analyse measures of profit; gross profit, operating profit and net profit • complete, interpret and analyse an income statement • evaluate the usefulness of income statements for a business and its stakeholders.
	Statement of financial position	• explain what is meant by a statement of financial position • explain what is contained within a statement of financial position • complete, interpret and analyse a statement of financial position (non-current assets, inventory, receivables, payables, working capital, non-current liabilities, net assets, retained earnings and total shareholders' equity) • evaluate how assets may be valued: non-current assets, (non-current assets), investments, patents, goodwill, receivables, bad debts, inventories • explain what is meant by depreciation • explain the need for the provision of depreciation • calculate and interpret methods of depreciation: straight line and reducing balance • evaluate the impact of depreciation on a business • evaluate the usefulness of a statement of financial position to a business and its stakeholders.
	Ratio analysis	• calculate and interpret liquidity ratios: current ratio and acid test • calculate and interpret solvency ratios: gearing and interest cover • calculate and interpret efficiency ratios; creditor turnover, debtor turnover, non-current assets turnover and stock turnover • calculate and interpret profitability ratios; gross profit margin, net profit margin, return on capital employed (ROCE) and return on equity • calculate and interpret shareholder ratios: dividend per share, dividend yield, earnings per share and price/earnings ratio • evaluate the financial position of a business • evaluate the usefulness of ratio analysis to a business and its stakeholders.

Area of Study	Content	Learners should be able to:
Accounting and finance within the external environment	**External influences on accounting and finance**	• evaluate the following influences on accounting and finance: ○ social ○ legal ○ ethical ○ environmental ○ economic ○ political ○ technological ○ international.
The finance strategy	**The strategy**	• evaluate the impact and importance of a financial strategy for a business and its stakeholders • recommend and justify a financial strategy for a business.
Human resource management within a business environment	**Human resource management objectives**	• explain human resource management objectives • explain how and why human resource management objectives are used by a business • explain the need for a business to have clear human resource management objectives • evaluate the usefulness of human resource management objectives to a business and its stakeholders • evaluate the importance of human resource management objectives in the achievement of a business' objectives • recommend and justify human resource objectives for a business.
	Organisation	• explain organisation structure: line relationships, staff relationships, chain of command, span of control, authority, responsibility, centralisation, decentralisation, delegation and delayering • explain models of organisation structure: hierarchy; by function, by product; system, matrix, division • distinguish between tall and flat organisational structures • evaluate the usefulness of organisational structures used by a business • evaluate the significance of organisational structures to a business and its stakeholders • explain what is meant by organisational culture • explain factors affecting organisational culture in a business • evaluate the impact and importance which organisational culture can have on a business.

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Area of Study	Content	Learners should be able to:
Human resource management within a business environment	**Communication**	• distinguish between formal and informal communication • evaluate the use of informal and formal communication by a business • explain what is meant by group norms • distinguish between group and individual objectives • evaluate the impact groups may have on business communication • distinguish between verbal and non-verbal communication methods • evaluate factors affecting the choice of communication methods to a business and its stakeholders • evaluate the importance of communication methods to a business and its stakeholders • explain communication media: written, face-to-face, oral, social, electronic and mass • evaluate factors affecting the choice of communication media by a business • evaluate the importance of communication media to a business and its stakeholders • explain models of communication: source, message, media, barriers, receiver and feedback • evaluate the usefulness of communication models to a business and its stakeholders • evaluate the impact of poor communication on a business and its stakeholders • evaluate the effect of communication on the stakeholders of a business • evaluate the effectiveness of communication in achieving a business' objectives.
The workforce	**Workforce planning**	• explain what is meant by workforce planning • evaluate the impact and importance of workforce planning for a business and its stakeholders • recommend and justify a workforce plan for a business • explain flexible working practices: including part-time, flexi-time, compressed hours, home/remote working, annualised hours, term-time working, structured time off in lieu, job sharing and zero hours contracts • evaluate the impact of flexible working practices on a business and its stakeholders • recommend and justify flexible working practices for a business.

Area of Study	Content	Learners should be able to:
The workforce	**Recruitment**	• explain what is meant by recruitment • explain the reasons for recruitment • explain the content and purpose of a job description, a person specification and a job advertisement • distinguish between external and internal recruitment • evaluate the impact and importance of recruitment to a business and its stakeholders • evaluate the usefulness of documentation and methods of recruitment to a business and its stakeholders • recommend and justify methods of recruitment for a business.
	Selection	• explain what is meant by selection • explain the content and purpose of different selection methods: including application forms, curriculum vitae (CV), testing, interviews, work trial, references and letter of application • evaluate the usefulness of methods of selection to a business and its stakeholders • evaluate the impact of selection on a business and its stakeholders • recommend and justify methods of selection for a business.
	Training	• explain what is meant by training • distinguish between methods of training: including on-the-job, off-the-job, induction, academic, vocational and apprenticeship • explain what is meant by a training needs analysis (TNA) • evaluate the importance of a TNA to a business and its stakeholders • evaluate the usefulness of methods of training to a business and its stakeholders • evaluate the impact and importance of training to a business and its stakeholders • recommend and justify training methods for a business.

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Area of Study	Content	Learners should be able to:
The workforce	**Appraisal and workforce performance**	• explain what is meant by and the purpose of appraisal • distinguish between appraisal methods: including managerial assessment, peer assessment, self-assessment, 360° assessment and target setting • explain measures of workforce performance • calculate and interpret measures of workforce performance: including lateness, absenteeism, labour turnover, productivity, holiday entitlement and performance related pay • evaluate the usefulness of measurements of workforce performance to a business • evaluate the importance of measurements of workforce performance for a business and its stakeholders • evaluate the usefulness of methods of appraisal for a business and its stakeholders • evaluate the impact and importance of appraisal to a business and its stakeholders • recommend and justify methods of appraisal for a business • evaluate employee contribution to a business.
	Redundancy and dismissal	• explain what is meant by redundancy • explain what is meant by dismissal • explain reasons for fair dismissal: including capacity, conduct, redundancy and other substantial reason • explain what is meant by unfair dismissal • explain reasons for unfair dismissal: including pregnancy, trade union membership, discrimination and whistle blowing • explain the procedure for dismissal • explain the procedure for a grievance • evaluate the impact and importance of redundancy and dismissal to a business and its stakeholders • evaluate the effectiveness of dismissal and grievance procedures to a business and its stakeholders • explain what is meant by an employment tribunal • explain the purpose of employment tribunals • evaluate the significance of employment tribunals for a business and its stakeholders.

Area of Study	Content	Learners should be able to:
Management	**Functions of management**	• explain what is meant by management • explain functions of management • evaluate constraints on management • evaluate the success of the management of a business.
Management	**Leadership**	• explain what is meant by leadership • explain leadership theory: including trait theory (Carlyle and Galton, McGregor's Theory X and Y), behavioural theory (Blake and Moulton's managerial grid), contingency theory (Lewin, Tannenbaum and Schmidt's behavioural continuum) and functional (Adair's Three Circles) • distinguish between leadership styles: including autocratic, democratic, laissez-faire and paternalistic • evaluate the usefulness of theories and styles of leadership to a business and its stakeholders • evaluate the impact and importance of leadership for a business and its stakeholders • recommend and justify methods of leadership for a business.
	Motivation	• explain what is meant by motivation • explain motivation theory: including content theory (McClelland, Herzberg, Maslow), expectancy theory (Vroom), goal-setting theory (Locke, Drucker's management by objectives) and excellence theory (Peters) • evaluate the usefulness of theories of motivation to a business • distinguish between monetary and non-monetary methods of motivation • evaluate the usefulness of motivation practices for a business and its stakeholders • evaluate the impact and importance of motivation for a business and its stakeholders • recommend and justify methods of motivation for a business.

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Area of Study	Content	Learners should be able to:
Management	**Employer/employee relations**	• explain what is meant by employer/employee relations • evaluate the benefits of good employer/employee relations for a business and its stakeholders • evaluate the costs of poor employee relations for a business and its stakeholders • explain legislation which affects the employer/employee relationship: including contracts of employment, minimum wage, health and safety, equality, data protection, dismissal and grievance • evaluate the impact and importance of legislation which affects the employer/employee relationship to a business and its stakeholders • explain what is meant by employee participation • explain types of employee participation: including industrial democracy, participative decision making and works councils • evaluate the impact and importance of employee participation to a business and its stakeholders • explain what is meant by a trade union • explain the role of a trade union • evaluate the advantages and disadvantages of trade union membership for a business and its stakeholders • evaluate the impact of the changing nature of trade union activity and membership on a business and its stakeholders.
Human resources within the external environment	**External influences on human resource management**	• evaluate the following influences on human resources: ○ social ○ legal ○ ethical ○ environmental ○ economic ○ political ○ technological ○ international.
The human resources strategy	**The strategy**	• evaluate the impact and importance of a human resources strategy for a business and its stakeholders • recommend and justify a human resources strategy for a business.

Area of Study	Content	Learners should be able to:
Marketing within a business environment	**Marketing objectives**	• explain marketing objectives • explain how and why marketing objectives are used by a business • explain the need for a business to have clear marketing objectives • evaluate the usefulness of marketing objectives for a business and its stakeholders • evaluate the importance of marketing objectives in the achievement of a business' objectives • recommend and justify marketing objectives for a business.
	Marketing resources	• identify and explain the resources required by a business to market a product or service • evaluate the impact of resources on the ability of a business to develop a marketing strategy • explain the content and purpose of a SWOT analysis • analyse the marketing position of a business using a SWOT framework • evaluate the usefulness of SWOT analysis for a business and its stakeholders.

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Area of Study	Content	Learners should be able to:
Customer needs	**Identifying customer needs**	• explain what is meant by market research • distinguish between primary and secondary market research techniques • explain primary market research techniques • explain secondary market research techniques • analyse market research data • evaluate the usefulness of primary market research techniques to a business and its stakeholders • evaluate the usefulness of secondary market research techniques to a business and its stakeholders • explain what is meant by trial marketing • evaluate the usefulness of trial marketing to a business and its stakeholders • explain what is meant by sampling • explain sampling methods used by a business: including random, stratified, cluster, systematic, quota and convenience • evaluate the usefulness of methods of sampling to a business and its stakeholders • explain what is meant by a normal distribution • explain what is meant by standard deviation • calculate and interpret standard deviation • evaluate the usefulness of standard deviation for a business and its stakeholders • explain what is meant by market share and market growth • explain the nature and purpose of market analysis • distinguish between quantitative and qualitative market analysis • explain why a business needs to consider both quantitative and qualitative aspects of market analysis • calculate, interpret and analyse market share and market growth • evaluate the impact and importance of market share and market growth to a business and its stakeholders • evaluate the impact and importance of changes in market share and market growth to a business and its stakeholders • evaluate the impact and importance of market research data to a business and its stakeholders • evaluate a business' decisions based on market data • evaluate the impact of ignoring market data on a business and its stakeholders

Area of Study	Content	Learners should be able to:
Customer needs	**Identifying customer needs** ***(cont.)***	• recommend and justify how a business should respond to positive or negative market growth • recommend and justify how a business should respond to increasing or decreasing market share.
	Anticipating consumer needs	• explain the buying behaviour of consumers including impulse and planned purchases • distinguish between niche marketing and mass marketing • explain consumer buyer behaviour through the use of marketing models: including AIDA, hierarchy of effects/ DAGMAR, ATR • evaluate the usefulness of niche marketing and mass marketing to a business and its stakeholders • evaluate the usefulness of marketing models to a business and its stakeholders • evaluate the impact and importance of a business' decisions on consumer buyer behaviour • evaluate the importance of understanding consumer buyer behaviour to a business and its stakeholders • distinguish between customer and product orientation • evaluate the impact and importance of customer and product orientation to a business and its stakeholders • evaluate the importance of customer service in consumer buyer behaviour • explain what is meant by market segmentation • explain ways in which a business may segment its market • evaluate the impact and importance of market segmentation to a business and its stakeholders • recommend and justify a market segmentation strategy for a business.
	Customers and consumers	• distinguish between customers and consumers • distinguish between those marketing methods and approaches which are appropriate for business to business marketing and business to consumer marketing • evaluate marketing methods, approaches and strategies which are appropriate for business to consumer marketing • evaluate marketing methods, approaches and strategies which are appropriate for business to business marketing.

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Area of Study	Content	Learners should be able to:
Customer needs	**The product life cycle**	• explain what is meant by the product life cycle • explain the stages in the product life cycle • explain the purpose of the product life cycle • complete, understand and interpret a product life cycle diagram • evaluate the usefulness of the product life cycle to a business and its stakeholders • analyse extension strategies • explain what is meant by an extension strategy • explain the purpose of an extension strategy • analyse extension strategies • evaluate the usefulness of an extension strategy to a business and its stakeholders.
The marketing strategy	**The marketing mix**	• explain what is meant by the marketing mix • explain what is meant by a marketing strategy • distinguish between local, national and international/ global marketing contexts • evaluate an appropriate marketing mix for local, national and international/global contexts.

	Product	• explain what is meant by 'product'
		• evaluate the product strategy of a business using:
		  ○ product life cycle
		  ○ value analysis
		  ○ Boston matrix
		  ○ Ansoff's matrix
		  ○ product portfolio analysis
		• explain what is meant by a unique selling point (USP)
		• identify the USP of a business
		• explain how and why a USP is used by a business
		• explain what is meant by a 'brand' and 'branding'
		• evaluate the importance of a brand to a business and its stakeholders
		• evaluate the importance of product as an element of the marketing mix to a business and its stakeholders
		• evaluate the impact and importance of product differentiation for a business and its stakeholders
		• recommend and justify a product mix as part of a marketing strategy.

Area of Study	Content	Learners should be able to:
The marketing strategy	**Price**	• explain what is meant by 'price' • evaluate the possible pricing strategies of a business, including: ○ skimming ○ penetration ○ competition-based ○ psychological ○ cost-plus (full-cost based) ○ marginal ○ contribution • explain what is meant by price, income and cross elasticities of demand • calculate and interpret price, income and cross elasticities of demand • evaluate the usefulness of price, income and cross elasticities of demand to a business • evaluate the impact and importance of price for a business and its stakeholders • recommend and justify a pricing mix as part of a marketing strategy.
	Place	• explain what is meant by 'place' • evaluate possible distribution strategies of a business, including: ○ channels of distribution ○ online, digital and physical distribution (logistics) ○ patterns of distribution • evaluate the impact and importance of place to a business and its stakeholders • recommend and justify a 'place' mix as part of a marketing strategy.

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Area of Study	Content	Learners should be able to:
The marketing strategy	**Promotion**	• explain what is meant by 'promotion' • evaluate possible promotion strategies for a business including: ○ above the line ○ below the line ○ branding ○ personal selling ○ Internet ○ social media ○ drip marketing ○ viral marketing • explain what is meant by advertising elasticity of demand • calculate and interpret advertising elasticity of demand • evaluate the usefulness of advertising elasticity calculations to a business • evaluate the impact and importance of promotion to a business and its stakeholders of a business • recommend and justify a promotional mix as part of a marketing strategy.
	Service marketing	• explain what is meant by service marketing • explain the additional elements used in the marketing of a service (process, people, physical evidence) • evaluate the impact and importance of 'process', 'people' and 'physical evidence' in the marketing of a service • recommend and justify a marketing mix for a service as part of a marketing strategy.
Marketing within the external environment	**External influences on marketing**	• Evaluate the following influences on marketing: ○ social ○ legal ○ ethical ○ environmental ○ economic ○ political ○ technological ○ international.
The marketing strategy	**The strategy**	• evaluate the impact and importance of a marketing strategy to a business and its stakeholders • recommend and justify a marketing strategy for a business.

Area of Study	Content	Learners should be able to:
Operations management within a business environment	**Operations management objectives**	• explain operations management objectives • explain how and why operations management objectives are used by a business • explain the need for a business to have clear operations management objectives • evaluate the usefulness of operations management objectives to a business and its stakeholders • evaluate the importance of operations management objectives in the achievement of a business' objectives • recommend and justify operations management objectives for a business.
	Added value	• explain what is meant by added value • explain how added value can be calculated • calculate added value • evaluate the usefulness of added value to a business and its stakeholders.
The production process	**Innovation, research and development**	• explain what is meant by innovation, research and development • explain the reasons for innovation, research and development within a business and an industry • explain what is meant by product innovation and process innovation • explain the process/cycle of innovation, research and development • evaluate the advantages and disadvantages of innovation, research and development to a business • evaluate the importance of innovation, research and development to a business, to the consumer, other stakeholders and the economy.
	Methods of production	• distinguish between methods of production: job, batch, flow and cell • evaluate the impact and importance of the choice of production method to a business and its stakeholders • evaluate the reasons for the choice of production method • explain what is meant by specialisation and the division of labour • explain the reasons for the introduction of specialisation and division of labour into a business • evaluate the impact and importance of specialisation and division of labour to a business and its stakeholders.

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Area of Study	Content	Learners should be able to:
The production process	**Services**	• explain the production process for the provision of services • explain what is meant by customer service in the context of the provision of services • evaluate the importance of high quality customer service to a business and its stakeholders.
	Project management	• explain what is meant by project management • explain the reasons for using project management within a business • explain how and why quantitative methods of project management are used by a business: including Gantt charts, critical path analysis (CPA), program evaluation and review technique (PERT) • explain the nature and purpose of Gantt charts and network analysis diagrams • complete and interpret Gantt charts: including duration and overlap • calculate and interpret earliest start times (EST), latest finish times (LFT), total float and free float and identify the critical path using CPA • calculate and interpret optimistic time (O), pessimistic time (P), most likely time (M), expected time, total float and free float and identify the critical path using PERT • evaluate the usefulness of quantitative methods of project management to a business and its stakeholders • evaluate the impact and importance of quantitative methods of project management to a business and its stakeholders • explain the qualitative factors which might affect project management in a business • evaluate the impact and importance of qualitative factors affecting project management to a business and its stakeholders.
Productive efficiency	**Productivity**	• explain what is meant by productivity • calculate measures of productivity • evaluate the impact and importance of productivity to a business and its stakeholders • recommend and justify methods to improve productivity in a business.

Area of Study	Content	Learners should be able to:
Productive efficiency	**Economies and diseconomies of scale**	• explain what Is meant by economies of scale and diseconomies of scale; internal and external • explain types of internal economies of scale, internal diseconomies of scale, external economies of scale and external diseconomies of scale • evaluate the costs and benefits to a business from internal and external economies and diseconomies of scale.
	Capacity utilisation and management	• explain what is meant by capacity utilisation • explain what is meant by capacity management • calculate, interpret and analyse capacity utilisation • evaluate the impact and importance of capacity utilisation to a business and its stakeholders • evaluate the impact and importance of capacity management to a business and its stakeholders • recommend and justify ways in which a business may change its capacity • recommend and justify ways in which a business may improve its capacity management.
	Stock control	• explain what is meant by stock control • explain methods of stock control: including stock control charts, just in time (JIT), kanban, fixed reorder stock level, fixed time reordering, economic order quantity and electronic methods of stock control • construct, calculate and interpret stock control charts: buffer stock, reorder level and quantities and lead time • evaluate the impact and importance of holding and controlling stock to a business and its stakeholders • evaluate the relationship between stock control and methods of production in a business.
	Lean production	• explain what is meant by lean production • explain how and why lean production is used by a business • evaluate the impact and importance of lean production to a business and its stakeholders • recommend and justify methods of lean production for a business.

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Area of Study	Content	Learners should be able to:
Productive efficiency	**Technology**	• explain how technology can be applied to the operations of a business • evaluate the impact and importance of technology to the operations of a business • evaluate the impact and importance of technology to the stakeholders of a business.
Productive quality (fit for purpose)	**Internal quality standards**	• distinguish between quality control and quality assurance • explain the reasons for quality control and quality assurance in a business • calculate and interpret measures of wastage • explain what is meant by total quality management (TQM) • explain how and why TQM is used in a business • evaluate the impact and importance of training in improving quality to a business and its stakeholders.
	External quality standards	• explain external quality standards: including British Standards (BS), European Standards (EN) and International Standards (ISO) – specific knowledge of individual standards is not required [1] • evaluate the impact and importance of external quality standards to a business and its stakeholders • explain how and why benchmarking is used by a business • evaluate the impact and importance of benchmarking to a business and its stakeholders.
	Services	• explain what is meant by 'services' • explain the process by which services are provided • evaluate the importance of the provision of services to the UK economy • evaluate ways in which the quality of service provision can be monitored or measured • evaluate the impact of poor customer service to a business and its stakeholders • evaluate ways in which the quality of customer service provision can be improved • evaluate the importance of customer service to a business and its stakeholders.

1 The reference to European standards remains unmodified since it informs pupils knowledge that when designing products, they need to adhere to the standards of the region to be marketable.

Area of Study	Content	Learners should be able to:

Productive quality (fit for purpose)	**Location and logistics**	• explain the factors affecting the choice of location of a business
		• evaluate the advantages and disadvantages of different locations for a business and its stakeholders
		• evaluate the impact and importance of location to a business and its stakeholders
		• recommend and justify suitable locations for a business
		• explain what is meant by logistics, including:
		  ○ supply chain management
		  ○ distribution management
		  ○ the role of warehousing
		  ○ the role of distribution centres
		  ○ digital
		• evaluate the factors affecting logistical decisions
		• evaluate the internal and external provision of logistics for a business
		• evaluate the impact and importance of logistics to a business and its stakeholders
		• recommend and justify a suitable logistics strategy for a business
		• explain what is meant by outsourcing, subcontracting, offshoring and re-shoring
		• evaluate the impact and importance of outsourcing, subcontracting, offshoring and re-shoring to a business and its stakeholders.

Operations management within the external environment	**External influences on operations management**	• evaluate the following influences on operations management:
		  ○ social
		  ○ legal
		  ○ ethical
		  ○ environmental
		  ○ economic
		  ○ political
		  ○ technological
		  ○ international.

The operations strategy	**The strategy**	• evaluate the impact and importance of an operations strategy to a business and its stakeholders • recommend and justify an operations strategy for a business.

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2d. Prior learning, knowledge and progression

Learners in England who are beginning an A Level course are likely to have followed a Key Stage 4 programme of study and as such possess skills in numeracy and literacy. This course will enable learners to progress to higher study or to progress directly to employment.

There is no formal requirement for prior knowledge for entry onto this A Level in Business course as all of the required subject content and skills are taught within the specification.

There are a number of Business and Enterprise specifications at OCR. Find out more at **www.ocr.org.uk**

3 Assessment of OCR A Level in Business

3a. Forms of assessment

The subject consists of three components that are externally assessed. Each component will have a specific focus on a type of business ranging from small/medium enterprise to national and international firms. The assessment of this qualification will include three examinations. Each examination will be two hours in duration. A Resource Booklet will be provided for each examination. The Resource Booklet will focus on a real-life business or businesses and provide stimulus material which the learners will need to answer the questions in the examination. The structure of each assessment is as follows:

Operating in a local business environment (component 01)

Section A contains multiple-choice questions worth a total of 15 marks. The questions can be drawn from any element of the specification.

Section B contains data response questions which relate to the Resource Booklet. This section is worth a total of 65 marks.

The UK business environment (component 02)

Section A contains a number of short-answer questions worth a total of 20 marks. The content of these short-answer questions will be drawn from any element of the specification.

Section B contains extended response questions which relate to the Resource Booklet. This section is worth a total of 60 marks.

The global business environment (component 03)

This paper contains both data response questions and extended response questions which relate to the Resource Booklet. The paper is worth a total of 80 marks.

3b. Assessment objectives (AO)

There are four assessment objectives in OCR A Level in Business. These are detailed in the table below.

Learners are expected to demonstrate their ability to:

	Assessment Objective
AO1	Demonstrate knowledge of terms, concepts, theories, methods and models to show an understanding of how individuals and organisations are affected by, and respond to business issues.
AO2	Apply knowledge and understanding to various business contexts to show how individuals and organisations are affected by and respond to issues.
AO3	Analyse issues within business showing an understanding of the impact on individuals and organisations of external and internal influences.
AO4	Evaluate quantitative and qualitative information to make informed judgements and propose evidence-based solutions to business issues.

The assessment of quantitative skills represents a minimum of 10% of the overall A level marks.

These quantitative skills may be assessed across the assessment objectives.

AO weightings in A Level in Business

The relationship between the assessment objectives and the components is shown in the following table:

Component	% of A Level in Business (H431)				
	AO1	AO2	AO3	AO4	Total
Operating in a local business environment (H431/01)	6–8	7–9	8–10	8–10	33.33%
The UK business environment (H431/02)	9–11	7–9	6–8	7–9	33.33%
The global business environment (H431/03)	6–8	8–10	9–11	7–9	33.33%
	25%	25%	25%	25%	100%

In addition, the learners will be required to demonstrate competence in the quantitative skills which are relevant to the subject content and which are applied in the context of the A Level in Business as detailed in Annex 1. The assessment of these quantitative skills will include at least Level 2 mathematical skills as a minimum of 10% of the overall A Level marks.

3c. Total qualification time

Total qualification time (TQT) is the total amount of time, in hours, expected to be spent by a learner to achieve a qualification. It includes both guided learning hours and hours spent in preparation, study, and assessment. The total qualification time for A Level in Business is 360 hours. The total guided learning time is 360 hours.

3d. Qualification availability outside of England

This qualification is available in England. For Wales and Northern Ireland please check the Qualifications in Wales Portal (QIW) or the Northern Ireland Department of Education Performance Measures/ Northern Ireland Entitlement Framework Qualifications Accreditation Number (NIEFQAN) list to see current availability.

3e. Language

This qualification is available in English only. All assessment materials are available in English only and all candidate work must be in English.

3f. Assessment availability

There will be one examination series available each year in May/June to all learners. Assessments by examinations must all be taken in a single year at the end of the course. This specification will be certificated from the June 2017 examination series onwards.

3g. Retaking the qualification

Learners can retake the qualification as many times as they wish. They retake all components of the qualification.

3h. Assessment of extended response

The assessment materials for this qualification provide learners with the opportunity to demonstrate their ability to construct and develop a sustained and coherent line of reasoning and marks for extended responses which are integrated into the marking criteria.

3i. Synoptic assessment

- Synoptic assessment allows learners to demonstrate their understanding between different aspects of the subject.
- Synoptic assessment involves the explicit drawing together of knowledge, skills and understanding of different aspects of the A level course. The emphasis of synoptic assessment is to encourage the understanding of how businesses operate in the real world rather than being a purely theoretical approach.
- For example, break-even analysis can be taught in relation to production but the concept can be applied to sales: similarly SWOT analysis need only be taught once but can be applied in a number of areas.

The specification has been designed so that it represents true synoptic learning. Therefore there is no prescribed order of delivery and content can be taught to suit the needs of the learners. Each examination is fully synoptic and candidates will be assessed, as appropriate, on all elements of the specification within each component.

3j. Calculating qualification results

A learner's overall qualification grade for A Level in Business will be calculated by adding together their marks from the three units taken to give their total weighted mark. This mark will then be compared to the qualification level grade boundaries that apply for the combination of units taken by the learner and for the relevant exam series to determine the learner's overall qualification grade.

4 Admin: what you need to know

The information in this section is designed to give an overview of the processes involved in administering this qualification so that you can speak to your exams officer. All of the following processes require you to submit something to OCR by a specific deadline.

More information about these processes and deadlines involved at each stage of the assessment cycle can be found in the Administration area of the OCR website. OCR's *Admin overview* is available on the OCR website at www.ocr.org.uk/administration.

4a. Pre-assessment

Estimated entries

Estimated entries are your best projection of the number of learners who will be entered for a qualification in a particular series. Estimated entries should be submitted to OCR by the specified deadline. They are free and do not commit your centre in any way.

Final entries

Final entries provide OCR with detailed data for each learner, showing each assessment to be taken. It is essential that you use the correct entry code, considering the relevant entry rules.

Final entries must be submitted to OCR by the published deadlines or late entry fees will apply.

All learners taking A Level in Business must be entered for H431.

Entry code	Title	Component code	Component title	Assessment type
H431	Business	01	Operating in a local business environment	External Assessment
		02	The UK business environment	External Assessment
		03	The global business environment	External Assessment

Collecting evidence of student performance to ensure resilience in the qualifications system

Regulators have published guidance on collecting evidence of student performance as part of long-term contingency arrangements to improve the resilience of the qualifications system. You should review and consider this guidance when delivering this qualification to students at your centre.

For more detailed information on collecting evidence of student performance please visit our website at: https://www.ocr.org.uk/administration/general-qualifications/assessment/

4b. Accessibility and special consideration

Reasonable adjustments and access arrangements allow learners with special educational needs, disabilities or temporary injuries to access the assessment and show what they know and can do, without changing the demands of the assessment. Applications for these should be made before the examination series. Detailed information about eligibility for access arrangements can be found in the JCQ *Access Arrangements and Reasonable Adjustments*.

Special consideration is a post-assessment adjustment to marks or grades to reflect temporary injury, illness or other indisposition at the time the assessment was taken.

Detailed information about eligibility for special consideration can be found in the JCQ *A guide to the special consideration process.*

4c. External assessment arrangements

Regulations governing examination arrangements are contained in the JCQ publication *Instructions for conducting examinations*.

Learners are permitted to use a scientific or graphical calculator for **all** components. Calculators are subject to the rules in the document *Instructions for Conducting Examinations* published annually by JCQ (www.jcq.org.uk).

Head of centre annual declaration

The Head of Centre is required to provide a declaration to the JCQ as part of the annual NCN update, conducted in the autumn term, to confirm that the centre is meeting all of the requirements detailed in the specification.

Any failure by a centre to provide the Head of Centre Annual Declaration will result in your centre status being suspended and could lead to the withdrawal of our approval for you to operate as a centre.

Private candidates

Private candidates may enter for OCR assessments.

A private candidate is someone who pursues a course of study independently but takes an examination or assessment at an approved examination centre. A private candidate may be a part-time student, someone taking a distance learning course, or someone being tutored privately. They must be based in the UK.

Private candidates need to contact OCR approved centres to establish whether they are prepared to host them as a private candidate. The centre may charge for this facility and OCR recommends that the arrangement is made early in the course.

Further guidance for private candidates may be found on the OCR website: http://www.ocr.org.uk

4d. Results and certificates

Grade scale

A Level qualifications are graded on the scale: A*, A, B, C, D, E, where A* is the highest. Learners who fail to reach the minimum standard for E will be Unclassified (U). Only subjects in which grades A* to E are attained will be recorded on certificates.

Results

Results are released to centres and learners for information and to allow any queries to be resolved before certificates are issued.

Centres will have access to the following results' information for each learner:

- the grade for the qualification
- the raw mark for each component
- the total weighted mark for the qualification.

The following supporting information will be available:

- raw mark grade boundaries for each component
- weighted mark grade boundaries for each entry option.

Until certificates are issued, results are deemed to be provisional and may be subject to amendment.

4e. Post-results services

A number of post-results services are available:

- **Review of results** – If you are not happy with the outcome of a learner's results, centres may request a review of marking.
- **Missing and incomplete results** – This service should be used if an individual subject result for a learner is missing, or the learner has been omitted entirely from the results supplied.
- **Access to scripts** – Centres can request access to marked scripts.

4f. Malpractice

Any breach of the regulations for the conduct of examinations and coursework may constitute malpractice (which includes maladministration) and must be reported to OCR as soon as it is detected.

Detailed information on malpractice can be found in the *Suspected Malpractice in Examinations and Assessments: Policies and Procedures* published by JCQ.

5 Appendices

5a. Overlap with other qualifications

There is overlap between the content of this specification and that for OCR's AS Level in Business to allow for co-teachability.

5b. Avoidance of bias

The A level qualification and subject criteria have been reviewed in order to identify any feature which could disadvantage learners who share a protected Characteristic as defined by the Equality Act 2010. All reasonable steps have been taken to minimise any such disadvantage.

5c. Quantitative skills annex

Annex 1: Quantitative Skills in Business

In order to be able to develop their skills, knowledge and understanding in Business, learners need to have acquired competence in the quantitative skills that are relevant to the subject content and which are applied in the context of a Business A Level, including:

- calculate, use and understand ratios, averages and fractions
- calculate, use and understand percentages and percentage changes
- construct and interpret a range of standard graphical forms
- interpret index numbers
- calculate cost, revenue, profit and break-even
- calculate investment appraisal outcomes and interpret results*
- interpret values of price and income elasticity of demand
- use and interpret quantitative and non-quantitative information in order to make decisions
- interpret, apply and analyse information in written, graphical and numerical forms.

The assessment of quantitative skills will include at least level two mathematical skills as a minimum of 10% of the overall AS Level marks and as a minimum of 10% of the overall A Level marks.

These quantitative skills may be assessed across the assessment objectives.

** as this skill does not form part of the AS Level core content, it may still be assessed at AS Level but it must be assessed at A Level.*

Summary of updates

Date	Version	Section	Title of section	Change
June 2018	1.1	Front cover	Disclaimer	Addition of Disclaimer
January 2020	1.2	4e	Post-results services	Amend Enquiries about results to review of results
May 2021	1.3	Front cover and 2c	Front cover and Content of AL Level in Business	Update to specification covers to meet digital accessibility standards. Update to content as a result of Brexit.
April 2023	1.4	3c.	Total qualification time	Update to include total qualification time and guided learning hours to comply with QiW regulations
February 2024	1.5	3d, 3e 4a Checklist	Qualification availability, Language Pre-assessment	Inclusion of disclaimer regarding language and availability Update to include resilience guidance Inclusion of Teach Cambridge
November 2025	2.0	Covers, page footers, section 1a and 4e		Updated covers, footers and certificate title to reflect the new Cambridge OCR brand. Inside cover includes statement: 'About our new name'. Minor rewording in generic section 1a.

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To stay up to date with all the relevant news about our qualifications, register for email updates at **ocr.org.uk/updates**

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